



Director of
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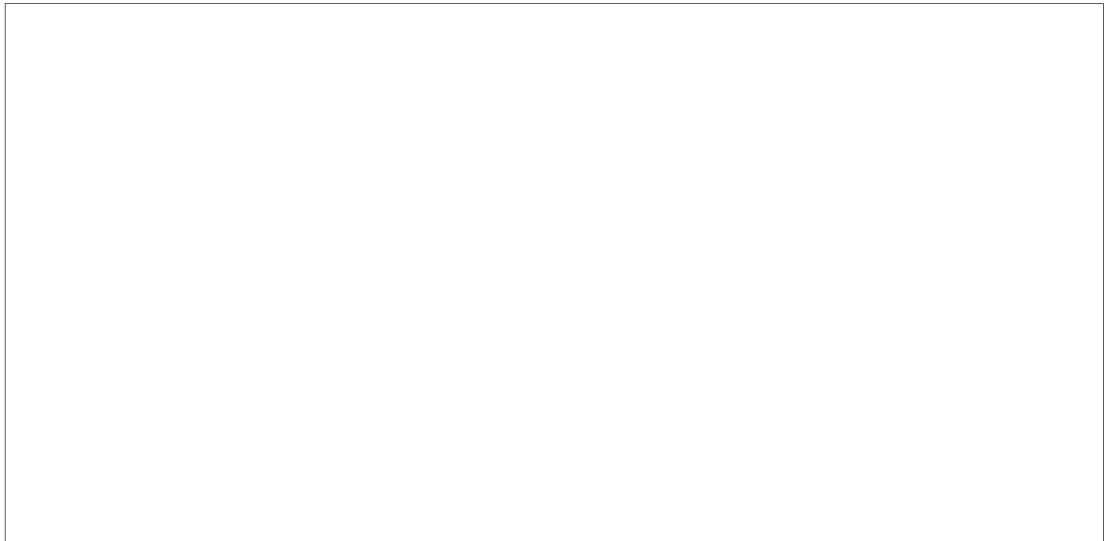


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3 EGYPT-FRANCE: Motivations Behind Aircraft Deal

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Egypt's decision to purchase 20 Mirage 2000 fighter aircraft from France reflects Cairo's desires to diversify its arms supply and to encourage the US to accelerate military deliveries. [redacted]

$\frac{1}{3}$ The Egyptians have been increasingly disappointed with the high costs and long leadtimes associated with purchasing arms from the US. President Mubarak told US officials on Saturday that there is growing criticism within his armed forces of the US military assistance program. [redacted]

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3 Mubarak also said that some officers now claim that US aid is as unsatisfactory as Soviet assistance was in the early 1970s. In addition, many Egyptian opposition groups have charged that Egypt's close ties to the US are undermining the country's nonaligned status. [redacted]

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$\frac{1}{2}$ A lack of funds apparently prevented the purchase of more Mirage 2000s. The French Government offered \$1 billion in financing at 9-percent interest to clinch the deal, which probably includes other equipment and technical support. [redacted]

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$\frac{1}{2}$ The two governments also agreed to set up a bilateral military committee to discuss future Egyptian arms purchases as well as coproduction. Mubarak may hope to set the stage for additional purchases during his visit to France early next month. [redacted]

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1 France has had difficulty in attracting buyers for the Mirage 2000, and it attaches great importance to this first foreign sale. The Dassault Company has yet to begin series production or finish developing and testing some of the aircraft's components. As a result, Egypt is not likely to take delivery until 1983 and then only if aircraft are diverted from French Air Force orders. [redacted]

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1 Without such diversions, delivery probably would not begin until the mid-1980s. In any event, the acquisition of yet another advanced aircraft will tax further Egypt's already overburdened support capability. [redacted]

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